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The leaks and lore of The Business Council

The Business Council, which finished its annual get-together at the super-elegant Homestead resort this weekend, may be less well-known than the highly visible Business Roundtable, but the Council is every bit as powerful. It has, in fact, become the stuff of history, legend, and gossip in the U.S. and world business community. Therefore, we offer a bit of each: The then-super-secret Council was formed in the mid-1930s and attached to the Department of Commerce as an advisory group to help Franklin Delano Roosevelt lead the nation out of the

Depression. For most of its existence, it was shrouded in secrecy and its members—the captains of American industry who consulted at least twice a year with top government officials—liked it that way. Indeed, for its first 15 years, the press didn't even try to cover its meetings. But there has never been any doubt in the enormous power of the group. One story has it, for instance, that the late Senator Ralph Flanders (R-Vt.) first got an okay from the Business Council before he moved in the Senate against Commie-baiter Joseph McCarthy. The Council, it seems, was willing to

authorize the Senate attack because it was livid at McCarthy for attacking one of its own, Robert T. Stevens of the J.P. Stevens & Co., who was at the time was Secretary of the Army.

A more recent story involves social rather than political power, with Christina Ford, Henry's ex, at the center. When Christina made her first appearance at the Homestead as the bride of young Henry, "The wives of the execs were standing around the lobby in little groups, waiting and trying to look inconspicuous," recalled Sterling Green, an old hand at the Associated

Press, who has been dogging the Council for years. And after she appeared that night with a giant, glittery gem around her neck, several corporate jets raced to fetch the jewels of some of the other corporate wives in time for the next night's formal affair. In the last several years, the press has been somewhat welcome. But still, the conference doors, behind which everyone from CIA head William Casey to Supreme Court Justice Warren Burger had their say this year were still tightly shut. And the year when former Vice President Walter Mondale spoke and requested the press be invited, the proud Washington press corps was led to the rear of the hall and seated only after dinner was over.